

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6979

BILL NUMBER: HB 1404

NOTE PREPARED: Jan 13, 2014

BILL AMENDED:

SUBJECT: Confined Feeding Financial Ability Requirements.

FIRST AUTHOR: Rep. Saunders

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: This bill provides that, after December 31, 2014, a person may not start:

- (1) the construction of a concentrated animal feeding operation (CAFO); or
- (2) an expansion of a CAFO that would increase animal capacity or manure containment capacity, or both;

without obtaining the prior approval of the Department of Environmental Management (IDEM).

The bill requires, after December 31, 2014, a person who applies or has applied to IDEM for approval of a confined feeding operation or CAFO, or for an individual water pollution control permit for a CAFO, to prove the person's financial ability to pay for closure, postclosure monitoring and maintenance, spill response, and compensation of third parties for bodily injury and property damage in the event of an accidental or intentional release from the person's confined feeding operation or CAFO. It requires the Environmental Rules Board to adopt rules to become effective not later than January 1, 2015, concerning the financial ability requirements.

Effective Date: July 1, 2014; January 1, 2015.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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